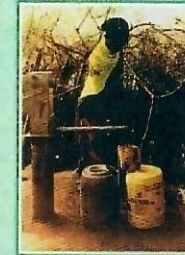


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2000

Annual Report



**Kenya Community
Development
Foundation**

Contents

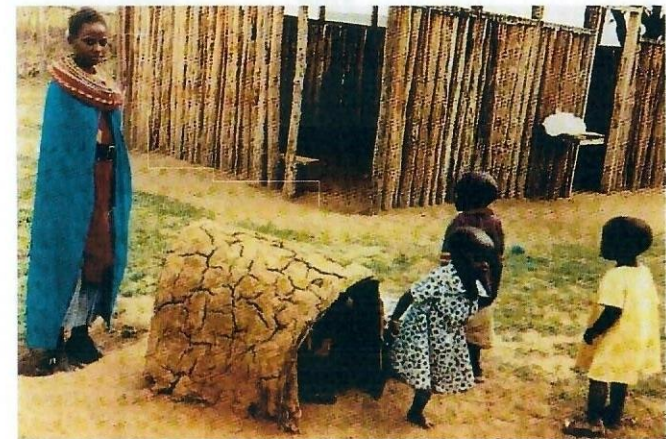
“The greatest thing about money is not what it could buy
But what good it could do”.

Adapted for KCDF from “The Chronicle of Philanthropy”.

Chairman’s Message	Page 2
Director’s Report	Page 4
Management Committee	Page 6
KCDF Grantees to date	Page 7
Grantee Briefs	Page 8
Endowment Challenge	Page 13
Donor Partners	Page 15
Financial Report	Page 18

Cover Photos

A selection of pictures showing activities of various KCDF partners



KCDF grantee organisations improve the quality of life in communities where they work. Above children play at an Early Childhood Development Centre operated by Nyanja Integrated Programme.

Chairman's Message



Kenya's development over the first twenty years of independence was marked by commendable achievements - (school enrolment rate of 95% of school age children entering Primary standard one; 35% enrolment into pre-school; average Kenyan within a five-kilometer walk to a well-equipped health facility; good infrastructure coverage of key communication network (roads, telephone, electricity etc) and an Annual GDP growth rate of up to 7% .). The country was, however, not able to sustain the growth. A recent research report has concluded that Kenya is now locked on a "self-reinforcing downward spiral"*. There is need therefore, for a new way of thinking and a commitment to the development of a new vision and shared frameworks.

Vision and Mission

The KCDF vision is "All Kenyans giving and working together with permanent resources for equitable development" with a mission to become: "A Kenyan foundation effectively mobilizing resources from private and public sources to build permanent funds for grant making towards the development of communities".

The Kenya Community Development Foundation (KCDF) uniquely offers some of these opportunities with a **vision** whose key elements include: **All Kenyans** (individuals; communities; the corporate and not-for-profit sectors; entrepreneurs; and donors), **giving** (professional skills; money; time; ideas and other assets), and **working together for equitable development**. The Foundation's core business (**mission**) in asset development and grant making offers Kenyans opportunities to mobilize resources, provide development grants and other support to poor individuals and communities, while at the same time building permanent endowments to ensure sustainability.

KCDF is the first public grantmaking community foundation in Kenya. The concept offers a chance to formalise **charitable and philanthropic giving**. "*Kupeana ni kawaida yetu... tangu zama zake*" (giving is in our nature since time immemorial) a typical Kenyan response to giving and what about "*Harambee*" you might add. What KCDF offers is a structure for management of socially conscious investment and donor services that provide more than just financial returns on your charitable giving. Other returns include:

- **Emotional returns** - a sense of accomplishment as you take action toward reduction of both poverty and Kenya's dependence on foreign donors.
- **Social returns** - promoting creation of wealth by poor and marginalized Kenyans as your support builds capacities of deserving Kenyans
- **Intellectual returns** - KCDF investors learn about our development challenges as they get opportunities to interact with the programme partners at the community level.

Think of all the informal giving you have done over the years (Harambees/directly to street children/relatives etc). If it had all been going into one growing fund with the profits partly re-invested and partly going into a needy cause annually, today, you would be a renowned philanthropist. This is the opportunity that KCDF is offering. Kenyans can now enter the world of, structured and planned charitable giving.

I take this opportunity to invite you all.

Elkanah Odembo
Chairman, KCDF.

** (Kenya at the Crossroads: Institute of Economic Affairs & Society for International Development)*

Director's Report

Background

KCDF's focus on empowerment of communities is based on the belief that people's participation is key to sustainable development and that every community has resources that can be mobilized for its own development. KCDF has used the old story of "don't just give the fish but teach to fish" and taken it further to "go beyond fishing," empowering communities to have as much control as possible over all factors that can affect the ability to fish. Having and sustaining this ability requires vision, organization and information, appropriate technology, linkages and capital.

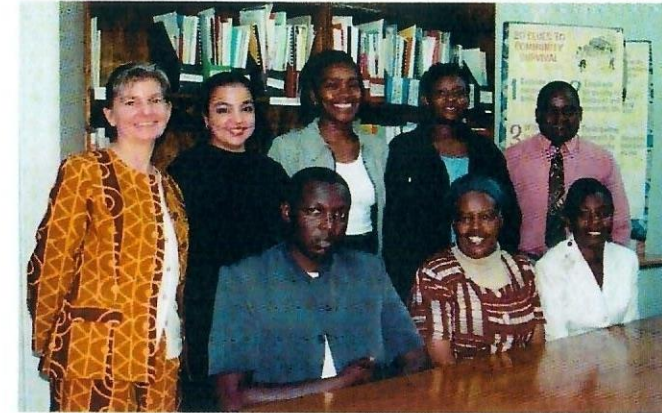
Grant Making Program

The Foundation makes grants to NGOs and CBOs for organizational development and promotion of community empowerment. These grants support improvement of financial, administrative and personnel management, governance (board development), resource mobilization, community organization and implementation of development projects. Our two key products are:

- Efficient and effective development organizations operating at the community level; and
- Motivated and pro-active communities that can help in creating the necessary critical mass toward a more people oriented approach to development and accountable leadership.

KCDF therefore sees community capacity building as enhancing the ability of communities to mobilize and organize themselves economically, socially and culturally. This includes community actions to rehabilitate infrastructure, access education and health, engage in advocacy and improve their livelihood. To this end, KCDF has provided nearly 30 million shillings to Kenyan communities and organizations spread over the country. The grant making programme further enables KCDF to provide "donor services" especially to international donors looking for

KCDF Management Team



Seated (left to right) Gregory Nautikha, Monica Mutuku (Project Director), Beverley Nuthu, standing (left to right) Nora Mwaara, Zeenat Bhanji, Catherine Kiganjo, Margaret Lubuale and Francis Kyai.

credible intermediary partners of integrity to either build capacities of their Kenyan partners or simply pass-through their grants, monitor progress and account to them.

Management Structure and Governance

KCDF aims to become Kenya's leading, (and currently the only) public community development foundation that receives and manages charitable funds efficiently, with probity and accountability.

The KCDF Management Committee (now turned into a Board after registration) fully understands that governance is about authority and stewardship, and commits itself to ensuring accountability and transparency in management of funds through strict adherence to the organization's rules/procedures and the country's laws. Consequently, clarity of governance responsibilities, structures for enhancement of stewardship and effective management, and regular reporting to donors and the general public are top priorities.

Monica Mutuku Project Director

KCDF's Asset Development is discussed under "Endowment Challenge" on pages 13 and 14.

Management Committee 2000



*Dr Joyce Malombe
Senior Social
Researcher, World
Bank*



*EHA Mugwanga
Organizational
Development
Consultant*



*Elvina Mutua
Training Consultant,
Community Based
programs*



*Aleke Dondo
Director, K-REP*



*Arif Neky
CEO Aga Khan
Foundation East
Africa*



*Noor Shariff
Executive Director,
Alibhai Shariff &
Sons
(Retired Sep. 2000)*



*Dr Mohamed
Abdullah
Chairman, National
Aids Control
Council*



*Thomas Miller
Development
Consultant, US and
Kenya*



*Dr Malek Bhaloo
Physician (retired)*



*Atia Yahya
Director, Medical
Division - Apollo
Insurance*



*Dr Eunice Kiereini
Chair, Flying
Doctors Services,
Africa*



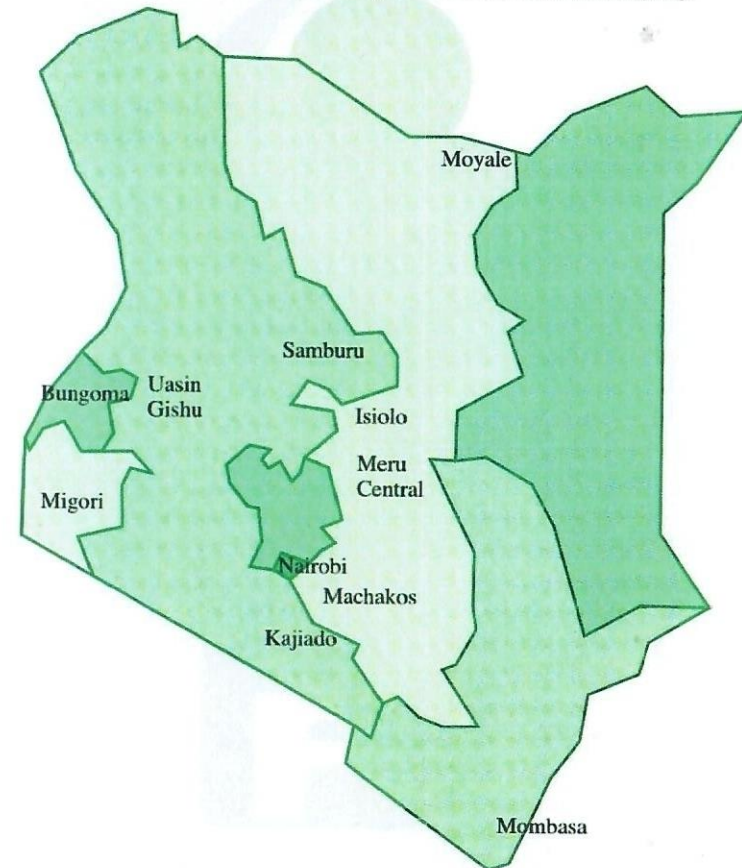
*Katharine Pearson
Ford Foundation
Representative -
Eastern Africa
Office*



*Pyrali Nanji
Managing Director
Electric Link Group
of Companies
(Joined Sep. 2000)*

KCDF's Grantees to Date

Through its grantmaking programme, KCDF has formed ongoing partnerships with communities throughout Kenya, as illustrated on the following map.



With an aim of having a national outlook, KCDF has given grants to organisations in a total of eleven districts in six provinces. As the program expands, the foundation hopes to continue broadening coverage. The grants promote equitable development through strengthening grassroots organisations, supporting community mobilisation, skills development and networking, and building community assets.

Grantee Briefs

Maasai AIDS Awareness Programme (MAA-P) – MAA-P is a non-governmental organization operating in Kajiado District that aims to improve the social and economic environment as a broad strategy for reducing the incidence of AIDS. KCDF supports institutional strengthening and training, including staff allowances, workshops and visits for staff, board, and community members, and strengthening of local community based organizations associated with the organization. Important results so far include broadening of the organisation's development approach to include activities related to strengthening of self-help groups and community awareness creation on issues such as water resources and education, formation of village management committees in six pilot areas, and more intensive community mobilisation.



MCDA has brought community members together to help solve their own problems. Here, they work to de-silt a dam.

Makutano Community Development Association (MCDA) – MCDA is an initiative of local community members in Kinyatta Location, Katangi Division of Machakos District engaged in improving living standards through training of self-help groups and addressing specific community needs including improved agriculture and accessibility of water. KCDF supports the organization through funding of community mobilization, institutional support including staff allowances, and setting up of a grain bank. Results of KCDF's

support include better community mobilisation, attraction of another major collaborator for village bank set-up and increased income of farmers through grain bank which provides good quality seeds and ready market for produce. According to one community member, "The community might not have harvested this season without the food bank. Nobody failed to plant for lack of seed."

Welfare Advisory Committee (WAC) – Operating under the Catholic Church in Dandora, Nairobi, WAC addresses urban poverty through programmes in housing, small business support, community organization, youth development, and

community health. KCDF supports the organization through board and staff development, provision of office equipment and transport, and community organization and training. KCDF's support to WAC has strengthened the organisation to carry out their community level programs more effectively. As a result of WAC training, community youth groups that formed to earn an income through dancing and rap, now have expanded their vision, and see the importance of the opportunity they have to make an important contribution to quality of life in the community. Visits made to other community members led to the formation of the Dandora Resident's Association which enables them to work together to address problems such as health, sanitation and crime, and to approach city authorities with greater strength to demand services to which they are entitled.



Lake Region Community Development Programme has helped these women to improve their agricultural skills

Lake Region Community Development Programme – This is a community based organization in Nyatike Division of Migori District, which strengthens local groups to carry out projects related to income generation, agriculture, and support for AIDS orphans. KCDF contributes to institutional support, providing transport and staff allowances, and enhances the organization's outreach including community mobilization and training. Impact includes enhancement of productivity and income of farmers from sunflower production through provision of seeds and availability of ready market, as well as more intensive organisation and training of communities. One community member describes the results of community training as follows: "They taught us business management skills, how to keep books of account, make business plans, keep records of our meetings, and open bank accounts. Now we can pay school fees."

Jengana – Kenya – Jengana is a community based organization operating in Ndivisi, Kimilili, and Webuye divisions in Bungoma district, which aims at strengthening self-help groups to carry out activities including brick making, agriculture, home improvement, and various agricultural activities. KCDF provides institutional support including staff allowances, training and exchange visits, and start up funding for a village bank owned and operated by community members. Impact includes more intensive community mobilisation, increased support for self-help groups in the community, and set up and operationalisation of a village



Members of a community group supported by MELI build a curio shed to enhance income generation.

bank enabling community members to save, borrow, and earn dividends.

Move to Empower Local Initiatives (MELI) - Move to empower Local initiatives is a consortium of community based organisations (CBOs) in Isiolo District. The eighteen current member organisations, drawn from all the divisions are involved in diverse activities including advocacy on land rights, water, AIDS awareness, gender

sensitisation and economic empowerment including livestock. Activities supported by KCDF include orientation on participatory development, in-depth capacity assessment of the consortium, and pilot phase capacity assessment and training for three of the member CBOs.

Anglican Church of Kenya, Eldoret Region Company - This organization works in Nandi, Uasin Gishu, Keiyo, Trans-Nzoia, Marakwet, West Pokot and Turkana Districts implementing programs in rural development, family planning, small scale business, water, and health. KCDF supports the organization in computerization of accounting and management of information systems, participatory policy development, and enhancement of sustainability. Important results include more efficient documentation, organisation of information, and accountability, and development and use of tools and procedures for more

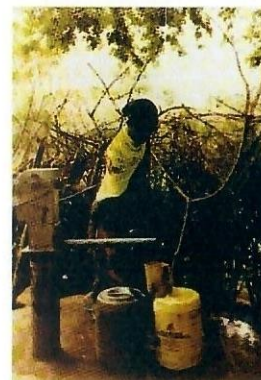
participatory and effective monitoring and evaluation, thus giving communities more control over their own development processes. One staff member explains, "Now we, and the communities can tell when they are making a difference. I find my work easier and more rewarding."

Simba Maasai Outreach Organization (SIMOO) - SIMOO is a local non-governmental organization operating in Kajiado District, based in Olosho-Oibor, that contributes to enhancing the quality of life in the community through initiatives related

to water, agriculture, environmental protection and promotion of cultural heritage. KCDF's grant supported internal strengthening including staff and board



Community members engage in a tug of war during the Olosho-oibor show, organised by SIMOO



Through training by ALRED, community members have learned to better manage their water resources.

development, transport, and supplies, and community mobilization and training. Impact includes enhanced understanding of development by the community as a result of leaders' workshops and community mobilisation, and improved livestock husbandry knowledge and skills through following the example of the organisation's steer fattening project.

Arid Lands Resource Development - ALRED is a local non-governmental organization working with the agro-pastoral community of Obbu division of Moyale District, enhancing the quality of life through water supply, development of tree nurseries, and establishment of a community health scheme and pharmacy. KCDF supports the

strengthening of the internal capacity of the organization through provision of transport and equipment, staff and board development, and allowance for a community mobilizer, as well as funding of community training. Grants made for office equipment and transport have helped the organisation to operate more efficiently, and interact more closely with the community. Training of water-users associations has helped them to manage the community owned water projects effectively and to become more sustainable.



El Barta encourages traditionally pastoralist communities to engage in agricultural activities.

El Barta Child and Family Programme - This community organization, operating in Baragoi Division of Samburu District, is involved in health, water and sanitation, basic education, and early childhood development. KCDF supports board and staff development, purchase of supplies and equipment, and community mobilization, training, and exchange visits. A recent board exposure tour to projects in Nairobi, Thika, Kajiado, and Kiambu districts supported by the KCDF grant gave the board opportunities to share experiences with other communities, broaden their world view, and reflect on their project from the outside.

South Imenti Development Association (SIDA) - SIDA is a membership association operating in South Imenti constituency of Meru Central District,

carrying out initiatives related to road and bridge construction and repair, water availability, agriculture improvement, AIDS awareness, and a village bank. KCDF supports the organization through staff allowances, board development, provision of office equipment, and community mobilization and training. KCDF support has helped the organisation to develop systems and procedures that will improve efficiency, and plan for community mobilisation aimed at creating more awareness and involving the community more fully in their own development processes.



Nyuat encourages community members to contribute to improved health and welfare of children by volunteering in their Early Childhood Development Programme.

Nyuat Integrated Programme – This community based organization operates around Maralal Town, Samburu District, carrying out programs in health care, education, early childhood development, farming and income generation. KCDF strengthens the internal capacity of the organization through board and staff development, provision of supplies and equipment, and community mobilization and training. A significant impact of KCDF support is the smooth transition to a broader vision and mission, which is more inclusive of community members in general, rather than focusing on families of sponsored children. KCDF support has also helped them to set up a documentation centre for more efficient management of information.

ILISHE (Ilimu Sheria) Trust – ILISHE, operating in and around Mombasa Island, began with the objective of promoting legal awareness,

but has now broadened into savings and credit, early childhood development, and supporting of local community groups. KCDF supports the organization through staff and committee development, and community mobilization and training. KCDF support will help the organisation develop systems and procedures that will improve efficiency, and carry out community mobilisation aimed at creating more awareness and involving the community more fully in their own development process.

Collaborators: KCDF uses experienced development consultants to build organisational skills and facilitate community mobilisation processes in grantee communities. Major collaborators include PREMESE-Africa, Precise Communications, and Gender Sensitive Initiatives

Endowment Challenge

KCDF has set itself a goal to mobilize and build permanent resources for community development. The Foundation seeks to help donors meet their philanthropic goals while serving its partner communities and organisations to build capacity for community development. This innovative alternative to typical community development offers the opportunity to link charitable giving with community needs.

The essence of KCDF's asset development challenge is to build a permanent resource base, while maintaining a strong relationship and accountability to low-income communities in Kenya. This will be done through mobilizing resources for an endowment fund by engaging a wide range of people to build a variety of linked permanent funds invested in one large pool. With economies of scale this pooling of funds will not only facilitate better profits but also allow:

- Closer supervision of the investment portfolio; and
- Diversification of the portfolio of investments and protection of each endowment funds' principal as KCDF sets up a separate "Trust" specifically to manage the endowment.

For most donations to its endowment, the Foundation will match contributions of funds started over the next year or two up to a total of US \$ 650,000. Following are brief descriptions of different types of charitable endowment funds that the Foundation offers. KCDF welcomes local and international donors and philanthropists to build and/or support:

Unrestricted Funds

These are unrestricted contributions that ensure that donors continue to serve relevant community/societal needs, no matter how Kenya changes. The needs of Kenya and its communities change on a constant basis. By giving to the foundation's unrestricted fund, donors ensure that KCDF continues to carefully

analyse Kenya's development needs and support innovative approaches to address them.

Donor-Advised Funds

These are funds that can meet different charitable goals depending on whatever donors might wish to support. Each year, donors or advisory committees set up by them, advise KCDF on what to support with the interest from their fund.

Field-Of-Interest Funds

These are funds where donors, express preference about a specific charitable purpose without designating the recipient organisations or program. These funds help donors focus on the areas that most touch their hearts or fit their criteria or philanthropic goals.

Community Funds

These are permanent funds put into the endowment for the benefit of a community in a particular geographical area. Once it is in the endowment, it is available for any charitable purposes in that geographical area. An advisory committee set up by the community makes decisions on what to fund.

Agency Funds

These are permanent funds set up by NGOs or community based organisations to meet their own operational costs every year. Donors can also set up funds on behalf of partners that they work with/intend to work with in Kenya.

Our Investment Policy

The need for accountability cannot be over-emphasized and it is for this reason that KCDF has diligently worked on and produced an investment policy statement. The Board of Trustees is responsible for establishing investment objectives and strategies of equity, fixed income and case investment as it determines appropriate. In short, it will ensure that the endowment fund grows and that interest, as appropriately allocated by the Board, is ploughed back into the work of addressing various development-related needs and creating wealth in Kenya.

Donor Partners

The Ford Foundation

The Ford Foundation is a resource for innovative people and institutions worldwide. The foundation's goals are to:

- Strengthen democratic values;
- Reduce poverty and injustice;
- Promote international cooperation, and;
- Advance human achievement.

Since the inception of KCDF, The Ford Foundation has been one of its strongest supporters. The foundation was part of the "Think Tank" that for over two years sought to come up with a development paradigm that would facilitate more sustainable community development. The foundation has remained unwavering in its support for KCDF.

Apart from initially providing office space for the new organisation, it has also provided funding for programme and core costs. Because of the funding from Ford, KCDF has established a credible and reputable grantmaking programme that will see KCDF disburse about Ksh. 30 million to 9 partners by the end of 2000.

In addition, The Foundation has been instrumental in exposing KCDF to community foundations in the US and Africa. This has been done through sponsorship to The Aspen Institute in the USA, for both the Director and Committee members and the hosting of the Africa Foundations Learning group meetings. The latter have been hosted in East, West, North and South Africa.

The Regional Representative, Ms. Katharine Pearson and her very able Deputy, Dr. Tade Aina continue to serve tirelessly on the Management Committee.

The Aga Khan Foundation

The Aga Khan Foundation, created under Swiss law in 1967, is a private, non-denominational development agency. Its mission is to promote creative and effective solutions to problems that impede social development, primarily in Asia and East Africa. It has branches and independent affiliates in 11 countries.

The Aga Khan Foundation has also provided two-fold support to KCDF. For one, KCDF still enjoys the legal status of being a project of the Aga Khan Foundation. In 1996, the Director began to work on setting up the necessary KCDF structures from the offices of the Aga Khan Foundation. The foundation took the role of nurturing and supporting KCDF very seriously. To the extent that apart from serving on the Management Committee, the Executive Director and his staff provide financial oversight and controls making KCDF the accountable, transparent and credible Kenyan foundation it is today. For the past three years (2000 included), the Aga Khan Foundation (through funding from the Canadian International Development Agency), has also provided US\$ 100,000 per year as their contribution to KCDF's programme.

The World Bank Group

The World Bank is the world's largest source of development assistance, providing nearly \$16 billion in loans annually to its client countries.

The World Bank under its Small Grants Programme funded two components of KCDF's work; a radio broadcast and a regional conference.

World Bank funded the production of 13 radio programmes that touched on various community development issues. This included hiring a communication agency, research, recording facilities and airing of the programmes.

The second component was the hosting of an East Africa Regional Conference entitled "Partnerships for Sustainable Wealth Creation". The purpose of the conference was to bring together all major players in the economy to discuss strategies and mechanisms for sustainable wealth creation. The conference was co-hosted with the Private Sector Corporate Governance Trust, the Africa Philanthropy Initiative, Kenya Institute of Public Policy Research and Analysis and the Kenya Enterprise Network. Participants were drawn from the three East

African countries and key speakers from South Africa, UK and New Zealand.

The Bernard Van Leer Foundation

The Bernard Van Leer Foundation is a private foundation based in the Netherlands. It operates internationally. Grants from Bernard Van Leer Foundation provide ongoing support for capacity building for 3 organisations in Mombasa and Samburu districts in order to enhance their sustainability and that of their Early Childhood Development programs and also to facilitate organisation and empowerment of communities with whom they work.

The International Development Research Centre

The International Development Research Centre (IDRC) is a public corporation created by the Parliament of Canada in 1970 to help developing countries use science and knowledge to find practical, long-term solutions to the social, economic and environmental problems they face.

The IDRC grant provided support for a one-week national workshop to review community empowerment indicators and processes. It brought together, 12 KCDF partners and several consultants versed in participatory methodologies. In addition, part of the grant also supported the documentation of a case study that depicts the community's view of empowerment.

UNDP/Government of Kenya

The current Kenya/UNDP Country Co-operation Framework (1999-2003) is anchored in the National Poverty Eradication Plan. It is an outcome of a country-based process of consultations with various organs of central and local government, UN agencies, bilateral and multilateral development partners, private sector organisations and local communities. Its broad objectives include good governance for poverty eradication, environment and natural resource management and employment and sustainable livelihoods.

United Nations Development Agency (UNDP) and the Government of Kenya provide funding support for KCDF's "Good Governance for Poverty Eradication" programme in Isiolo District. Through this programme, KCDF facilitates capacity building for local organisations and community mobilisation in the district.

Financial Report

1.1

Income and expenditure statement for the year ended 31 December 2000

	Note	2000 KShs	1999 KShs
INCOME			
Grant income	1.3.2	43,686,782	20,377,863
Other Income		84,583	2,789
		43,771,365	20,380,652
EXPENDITURE			
Capacity building		3,802,026	4,248,871
Research		846,533	1,151,861
Fundraising and communication		5,152,467	2,041,449
Grants to partners	1.3.3	17,917,289	11,889,823
General administration	1.3.4	11,129,514	13,949,533
		38,847,829	33,281,537
Surplus/(deficit) for the year	1.3.5	4,923,536	(12,900,855)
Fund balance brought forward		3,172,215	16,073,100
Fund balance carried forward		8,095,751	3,172,215

1.2

Balance Sheet as at 31 December 2000

	Note	2000 KShs	1999 KShs
ASSETS			
Non-current assets			
Fixed assets	1.3.6	1,165,778	1,501,562
Current assets			
Grants receivable		13,460,703	8,121,630
Debtors and prepayments		936,600	102,000
Term deposits	1.3.7	15,147,365	3,635,846
Cash and bank		3,480,281	3,218,653
		33,024,949	15,078,129
Current Liabilities			
Creditors and accruals		7,022,783	4,162,329
Grants payable		14,424,828	5,609,301
		21,447,611	9,771,630
Net current assets		11,577,338	5,306,499
Net Assets		12,743,116	6,808,061
Represented by:			
Endowment Fund	1.3.8	4,647,365	3,635,846
Accumulated Fund	1.3.9	8,095,751	3,172,215
		12,743,116	6,808,061

The financial statements were approved by the Management Committee Meeting held on 3 May 2001

and signed on its behalf by:

Elkanah Odembo – Chairman

Monica Mutuku – Director

9 July 2001.

1.3 Notes to the financial statements

1.3.1 Significant accounting policies

The main accounting policies relevant to the financial statements are as follows:

(a) Basis of preparation

The accounts have been prepared under the historical cost convention.

(b) Revenue Recognition

With effect from 1 January 2000, grant income is accounted for on an accruals basis. Where necessary, comparative figures for 1999 have been adjusted to conform with the change in accounting policy.

(c) Expenses

Expenditure is accounted for on an accruals basis.

(d) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the equipment. The estimated useful lives are as follows:

Computer equipment	-	3 years
Office equipment, furniture and fittings	-	8 years
Motor vehicles	-	4 years

1.3.2

Grant income

	2000 KShs	1999 KShs
Aga Khan Foundation	25,064,328	17,399,570
Ford Foundation	2,303,498	-
Bernard Van Leer	12,827,850	1,944,779
Commonwealth Foundation	994,500	-
World Bank	-	503,472
IDRC	(104,344)*	530,042
UNDP	2,600,950	-
	43,686,782	20,377,863

* This represents unspent income refunded to IDRC at the end of the project as per the grant agreement.

1.3.3

Grants to partners

	2000 KShs	1999 KShs
MAAP	1,856,582	1,821,382
MCDA	474,195	731,915
WAC	604,095	2,521,065
Lake Region	1,309,517	1,020,470
Jengana	824,769	918,931
Premese Africa	178,250	800,000
ACK Eldoret	395,120	1,398,760
SIMOO	1,264,780	1,455,300
Precise communications	-	250,000
Gender Sensitive Initiative	-	972,000
ALRED	1,494,240	-
Elbarta Child and Family Programme	2,817,564	-
SIDA	1,731,400	-
Nyuat	2,758,745	-
Ilisha Trust	2,208,032	-
	17,917,289	11,889,823

Funds for a period of three years are approved by the Management Committee and released on quarterly basis based on contracts signed annually. Grants to the five new partners are funded by the Van Leer Foundation but the funding is administered by KCDF.

The amount of KShs 17,917,289 represents amounts approved and contracted for with respect to the year 2000. Of this, KShs 14,424,828 has not yet been disbursed to the relevant partners.

1.3.4

General administration costs

	2000 KShs	1999 KShs
Personnel costs	5,956,228	5,300,551
Consultants	-	1,763,669
AKF administration costs	1,925,000	1,650,000
Travel	10,265	35,904
Office utilities and telephone	1,070,690	1,122,937
Insurance	5,110	26,143
Committee and consultative meetings	149,392	486,739
Office supplies and miscellaneous	394,097	537,531
Vehicle running and maintenance	325,298	346,990
Bank charges	57,311	30,135
Audit fees	221,540	152,720
Depreciation	865,798	894,975
Management and accounting system	5,250	6,600
Repairs and renovations	143,535	1,594,639
Total	11,129,514	13,949,533

1.3.5

Surplus/(deficit) for the year

This has been arrived at after charging:

	2000 KShs	1999 KShs
Project director's emoluments	3,573,372	3,339,600

1.3.6

Fixed assets

	Computer equipment KShs	Office equipment, furniture & fittings KShs	Motor vehicles KShs	Total KShs
Cost:				
Balance at 1.1.2000	1,128,439	1,469,853	1,340,535	3,938,827
Additions	297,593	232,421	-	530,014
Balance at 31.12.2000	1,426,032	1,702,274	1,340,535	4,468,841
Depreciation:				
Balance at 1.1.2000	908,764	523,099	1,005,402	2,437,265
Charge for year	317,881	212,784	335,133	865,798
Balance at 31.12.2000	1,226,645	735,883	1,340,535	3,303,063
Net book value:				
At 31.12.2000	199,387	966,391	-	1,165,778
At 31.12.1999	219,675	946,754	335,133	1,501,562

1.3.7

Term deposits

	2000 KShs	1999 KShs
Endowment fund	4,647,365	3,635,846
Other deposits	10,500,000	-
	15,147,365	3,635,846

1.3.8

Endowment Fund

This relates to amounts set aside for a permanent unrestricted endowment fund from which capacity-building activities will be funded. During the year a fund-raising activity was held which increased the endowment fund balance by KShs 567,535. Other donations and fund-raising events contributed KShs.94,625. Currently this is held at Diamond Trust but KCDF plans to start the Kenya Community Development Trust that will be responsible for the management of the fund.

1.3.9

Accumulated fund

	2000 KShs	1999 KShs
Balance at 1 January: as previously stated	(4,949,415)	16,073,100
Prior year adjustment	8,121,630	-
Restated balance	3,172,215	16,073,100
Surplus/(deficit) for the year	4,923,536	(12,900,855)
At 31 December	8,095,751	3,172,215

The prior year adjustment arises on the recognition of income on an accruals basis rather than on receipt basis as was the case in previous years. Comparative figures for 1999 have been adjusted to conform with this change in accounting policy.

1.3.10

Currency

The accounts have been presented in Kenya Shillings (KShs).

“Never doubt that a small group of committed citizens
can change the world.

Indeed it is the only thing that ever has”.

Margaret Mead, Anthropologist.

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